

HOUSE BILL 827

**49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009**

INTRODUCED BY

Jim R. Trujillo

AN ACT

RELATING TO MOTOR VEHICLE EXCISE TAX EXEMPTIONS; PROVIDING A  
MOTOR VEHICLE EXCISE TAX EXEMPTION FOR CERTAIN HYBRID VEHICLES  
THROUGH JUNE 30, 2014.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 7-9-22 NMSA 1978 (being Laws 1969,  
Chapter 144, Section 15, as amended) is amended to read:

"7-9-22. EXEMPTION--GROSS RECEIPTS TAX--VEHICLES.--  
Exempted from the gross receipts tax are the receipts from  
selling vehicles on which a tax is imposed by the Motor Vehicle  
Excise Tax Act, vehicles subject to registration under Section  
66-3-16 NMSA 1978 and vehicles exempt from the motor vehicle  
excise tax pursuant to Subsection [F] G or H of Section 7-14-6  
NMSA 1978."

Section 2. Section 7-9-23 NMSA 1978 (being Laws 1969,

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1 Chapter 144, Section 16, as amended) is amended to read:

2 "7-9-23. EXEMPTION--COMPENSATING TAX--VEHICLES.--Exempted  
3 from the compensating tax [~~is~~] are the use of vehicles on which  
4 the tax imposed by the Motor Vehicle Excise Tax Act has been  
5 paid, the use of vehicles subject to registration under Section  
6 66-3-16 NMSA 1978 and the use of vehicles exempt from the motor  
7 vehicle excise tax pursuant to Subsection [F] G or H of Section  
8 7-14-6 NMSA 1978."

9 Section 3. Section 7-14-6 NMSA 1978 (being Laws 1988,  
10 Chapter 73, Section 16, as amended) is amended to read:

11 "7-14-6. EXEMPTIONS FROM TAX.--

12 A. A person who acquires a vehicle out of state  
13 thirty or more days before establishing a domicile in this  
14 state is exempt from the tax if the vehicle was acquired for  
15 personal use.

16 B. A person applying for a certificate of title for  
17 a vehicle registered in another state is exempt from the tax if  
18 the person has previously registered and titled the vehicle in  
19 New Mexico and has owned the vehicle continuously since that  
20 time.

21 C. A vehicle with a certificate of title owned by  
22 this state or any political subdivision is exempt from the tax.

23 D. A person is exempt from the tax if the person  
24 has a disability at the time the person purchases a vehicle and  
25 can prove to the motor vehicle division of the department or

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1 its agent that modifications have been made to the vehicle that  
2 are:

- 3 (1) due to that person's disability; and
- 4 (2) necessary to enable that person to drive  
5 that vehicle or be transported in that vehicle.

6 E. A person is exempt from the tax if the person is  
7 a bona fide resident of New Mexico who served in the armed  
8 forces of the United States and who suffered, while serving in  
9 the armed forces or from a service-connected cause, the loss or  
10 complete and total loss of use of:

- 11 (1) one or both legs at or above the ankle; or
- 12 (2) one or both arms at or above the wrist.

13 F. A person who acquires a vehicle for subsequent  
14 lease shall be exempt from the tax if:

15 (1) the person does not use the vehicle in any  
16 manner other than holding it for lease or sale or leasing or  
17 selling it in the ordinary course of business;

18 (2) the lease is for a term of more than six  
19 months;

20 (3) the receipts from the subsequent lease are  
21 subject to the gross receipts tax; and

22 (4) the vehicle does not have a gross vehicle  
23 weight of over twenty-six thousand pounds.

24 G. From July 1, 2004 through June 30, 2009,  
25 vehicles that are gasoline-electric hybrid vehicles with a

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1 United States environmental protection agency fuel economy  
2 rating of at least twenty-seven and one-half miles per gallon  
3 are eligible for a one-time exemption from the tax at the time  
4 of the issuance of the original certificate of title for the  
5 vehicle.

6 H. From July 1, 2009 through June 30, 2014,  
7 vehicles with a gross vehicle weight rating between six  
8 thousand and ten thousand pounds that draw propulsion energy  
9 from onboard sources of stored energy, that are both an  
10 internal combustion or heat engine using consumable fuel and a  
11 rechargeable energy storage system and that, in the case of a  
12 vehicle that has a gross vehicle weight rating of more than six  
13 thousand pounds but not more than eight thousand five hundred  
14 pounds, has a maximum available power of at least four percent  
15 and, in the case of a vehicle that has a gross vehicle weight  
16 rating of more than eight thousand five hundred pounds and not  
17 more than ten thousand pounds, has a maximum available power of  
18 at least ten percent, are eligible for a one-time exemption  
19 from the tax at the time of the issuance of the original  
20 certificate of title for the vehicle."

21 Section 4. EFFECTIVE DATE.--The effective date of the  
22 provisions of this act is July 1, 2009.

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